



Substitute House Bill No. 5332

Public Act No. 16-179

AN ACT CONCERNING THE GOVERNOR'S SCHOLARSHIP PROGRAM.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. Section 10a-173 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2016*):

(a) For the purposes of this section:

(1) "Family contribution" means the expected family contribution for educational costs as computed from the student's Free Application for Federal Student Aid;

(2) "Full-time or part-time undergraduate student" means a student who is enrolled at an institution of higher education in a course of study leading to such student's first associate or bachelor degree and who is carrying, for a full-time student, twelve or more semester credit hours, or, for a part-time student, between six and eleven semester credit hours at such institution of higher education;

(3) "Independent institution of higher education" means a nonprofit institution established in this state (A) that has degree-granting authority in this state; (B) that has its main campus located in this state; (C) that is not included in the Connecticut system of public higher

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education; and (D) whose primary function is not the preparation of students for religious vocation;

(4) "Public institution of higher education" means the constituent units of the state system of higher education identified in subdivisions (1) to (4), inclusive, of section 10a-1;

(5) "Eligible educational costs" means the tuition and required fees for an individual student that are published by each institution of higher education participating in the grant program established under this section, plus a fixed amount for required books and educational supplies as determined by the Office of Higher Education.

(b) The state, acting through the Office of Higher Education, shall establish the Governor's Scholarship program to annually make need-based financial aid available for eligible educational costs for Connecticut residents enrolled at Connecticut's public and independent institutions of higher education as full-time or part-time undergraduate students beginning with new or transfer students in the fiscal year ending June 30, 2014. On and after July 1, 2016, said program shall be known as the "Roberta B. Willis Scholarship program". Any award made to a student in the fiscal year ending June 30, 2013, under the capitol scholarship grant program, established under section 10a-169 of the general statutes, revision of 1958, revised to January 1, 2013, the Connecticut aid to public college students grant program, established under section 10a-164a of the general statutes, revision of 1958, revised to January 1, 2013, Connecticut aid to Charter Oak, established under subsection (c) of section 10a-164a of the general statutes, revision of 1958, revised to January 1, 2013, or the Connecticut independent college student grant program, established under section 10a-36 of the general statutes, revision of 1958, revised to January 1, 2013, shall be offered under the [Governor's] Roberta B. Willis Scholarship program and be renewable for the life of the original award, provided such student meets and continues to meet the need

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and academic standards established for purposes of the program under which such student received the original award.

(c) Within available appropriations, the [Governor's] Roberta B. Willis Scholarship program shall [be comprised of] include a need and merit-based grant, a need-based grant [,] and a Charter Oak grant. [, and a performance incentive pool.] The need and merit-based grant shall be funded at not less than twenty per cent but not more than thirty per cent of available appropriations. The need-based grant shall be funded at up to eighty per cent of available appropriations. The Charter Oak grant shall be not less than one hundred thousand dollars of available appropriations. [The incentive pool shall be not less than two and one-half per cent of available appropriations.] There shall be an administrative allowance based on one-quarter of one per cent of the available appropriations, but not less than one hundred thousand dollars. [Not less than thirty-eight per cent of the annual appropriation shall be allocated to the independent institutions of higher education for the fiscal year ending June 30, 2014, and not less than thirty-six per cent of such appropriation shall be allocated to such institutions for the fiscal year ending June 30, 2015.] In addition to the amount of the annual appropriation allocated to the regional community-technical colleges under subsection (e) of this section, and to regional community-technical college students under subsection (d) of this section, not less than two and one-half per cent of the annual appropriation shall be allocated to the regional community-technical colleges to be used for financial aid purposes.

(d) The [Governor's] Roberta B. Willis Scholarship need and merit-based grant shall be available to any Connecticut resident who is a full-time or part-time undergraduate student at any public or independent institution of higher education. [beginning in the fiscal year ending June 30, 2014.] The Office of Higher Education shall determine eligibility by financial need based on family contribution and eligibility

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by merit based on either previous high school academic achievement or performance on standardized academic aptitude tests. The Office of Higher Education shall make awards according to a sliding scale, annually determined by said office, up to a maximum family contribution and based on available appropriations and eligible students. The [Governor's] Roberta B. Willis Scholarship need and merit-based grant shall be awarded in a higher amount than the need-based grant awarded pursuant to subsection (e) of this section. Recipients of the need and merit-based grant shall not be eligible to receive an additional need-based award. The order of institutions of higher education provided by a student on the student's Free Application for Federal Student Aid shall not affect the student's eligibility for an award under this subsection. The accepting institution of higher education shall disburse sums awarded under [such] the need and merit-based grant for payment of the student's eligible educational costs.

(e) The [Governor's] Roberta B. Willis Scholarship need-based grant shall be available to any Connecticut resident who is a full-time or part-time undergraduate student at any public or independent institution of higher education. [beginning in the fiscal year ending June 30, 2014. The Office of Higher Education shall determine eligibility based on family contribution.] The amount of the annual appropriation to be allocated to each institution of higher education shall be determined by its actual [eligible enrollment based on family contribution during the fiscal year one year prior to the grant year] full-time equivalent enrollment of undergraduate students who are Connecticut residents with a family contribution during the fall semester of the fiscal year two years prior to the grant year of an amount not greater than two hundred per cent of the maximum family contribution eligible for a federal Pell grant award for the academic year one year prior to the grant year. Not later than July first, annually, each institution of higher education shall report such enrollment data

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to the Office of Higher Education. Not later than October first, annually, the Office of Higher Education shall (1) publish such enrollment data on its Internet web site, and (2) notify each institution of higher education of the proportion of the annual appropriation that such institution of higher education will receive the following fiscal year and publish the proportions for each institution of higher education on its Internet web site. Participating institutions of higher education shall make awards [according to a sliding scale, annually determined by the Office of Higher Education, up to a maximum family contribution and based on available appropriations and the number of eligible students] (A) to eligible full-time students in an amount up to four thousand five hundred dollars, and (B) to eligible part-time students in an amount that is prorated according to the number of credits each student will earn for completing the course or courses in which such student is enrolled, such that a student enrolled in a course or courses earning (i) at least nine but less than twelve credits is eligible for up to seventy-five per cent of the maximum award, and (ii) at least six but less than nine credits is eligible for up to fifty per cent of the maximum award. Each participating institution of higher education shall expend all of the moneys received under the [Governor's] Roberta B. Willis Scholarship program as direct financial assistance only for eligible educational costs. [based on the sliding scale determined by the Office of Higher Education and the maximum award amounts set by said office.]

(f) Participating institutions of higher education shall annually provide the Office of Higher Education with data and reports on all Connecticut students who applied for financial aid, including, but not limited to, students receiving a [Governor's] Roberta B. Willis Scholarship grant, in a form and at a time determined by said office. If an institution of higher education fails to submit information to the Office of Higher Education as directed, such institution shall be prohibited from participating in the scholarship program in the fiscal

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year following the fiscal year in which such institution failed to submit such information. Each participating institution of higher education shall maintain, for a period of not less than three years, records substantiating the reported number of Connecticut students and documentation utilized by the institution of higher education in determining eligibility of the student grant recipients. Such records shall be subject to audit or review. Funds not obligated by an institution of higher education shall be returned by [February fifteenth] May first in the fiscal year the grant was made to the Office of Higher Education for reallocation. Financial aid provided to Connecticut residents under this program shall be designated as a grant from the [Governor's] Roberta B. Willis Scholarship program.

(g) The [Governor's] Roberta B. Willis Scholarship Charter Oak grant shall be available to any full-time or part-time undergraduate student enrolled in Charter Oak State College. [beginning in the fiscal year ending June 30, 2014.] The Office of Higher Education shall allocate any appropriation to Charter Oak State College to be used to provide grants for eligible educational costs to residents of this state who demonstrate substantial financial need and who are matriculated in a degree program at Charter Oak State College. Individual awards shall not exceed a student's calculated eligible educational costs. Financial aid provided to Connecticut residents under this program shall be designated as a grant from the [Governor's] Roberta B. Willis Scholarship program.

[(h) The Governor's Scholarship incentive pool shall be created to encourage retention and completion for any student who (1) receives the Governor's Scholarship need-based grant, (2) returns with sufficient credits to complete such student's associate degree in two years or bachelor degree in four years, and (3) exceeds the minimum satisfactory academic performance standards as determined by the Office of Higher Education. Such student shall be eligible beginning in

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the second year of such student's need-based grant. The pool shall be distributed to participating institutions of higher education based on eligibility as determined by the Office of Higher Education.]

[(i)] (h) In administering the [Governor's] Roberta B. Willis Scholarship program, the Office of Higher Education shall develop and utilize fiscal procedures designed to ensure accountability of the public funds expended. Such procedures shall include provisions for compliance [audits] reviews that shall be conducted by the Office of Higher Education on any institution of higher education that participates in the program. Commencing with the fiscal year ending June 30, 2015, and biennially thereafter, each such institution of higher education shall submit the results of an audit done by an independent certified public accountant for each year of participation in the program. Any institution of higher education determined by the Office of Higher Education not to be in substantial compliance with the provisions of the [Governor's] Roberta B. Willis Scholarship program shall be ineligible to receive funds under the program for the fiscal year following the fiscal year in which the institution of higher education was determined not to be in substantial compliance. Funding shall be restored when the Office of Higher Education determines that the institution of higher education has returned to substantial compliance.

Sec. 2. Subsection (f) of section 4-89 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2016*):

(f) The provisions of this section shall not apply to appropriations to the Office of Higher Education for student financial assistance for the [Governor's] Roberta B. Willis Scholarship program established under section 10a-173, as amended by this act, or to the Board of Regents for Higher Education for Connecticut higher education centers of excellence established under section 10a-25h, to the Office of Higher

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Education for the minority advancement program established under subsection (b) of section 10a-11, or to the operating funds of the constituent units of the state system of higher education established pursuant to sections 10a-105, 10a-99 and 10a-77. Such appropriations shall not lapse until the end of the fiscal year succeeding the fiscal year of the appropriation except that centers of excellence appropriations deposited by the Board of Regents for Higher Education in the Endowed Chair Investment Fund, established under section 10a-20a, shall not lapse but shall be held permanently in the Endowed Chair Investment Fund and any moneys remaining in higher education operating funds of the constituent units of the state system of higher education shall not lapse but shall be held permanently in such funds. On or before September first, annually, the Office of Higher Education and Board of Regents for Higher Education shall submit a report to the joint standing committee of the General Assembly having cognizance of matters relating to appropriations and the budgets of state agencies, through the Office of Fiscal Analysis, concerning the amount of each such appropriation carried over from the preceding fiscal year.

Approved June 6, 2016